

UTA Board of Trustees Meeting

August 25, 2021



Call to Order and Opening Remarks



Pledge of Allegiance



My BeUTAHful Community Student Art Competition

Unity in My Community Morgan Becker Grade 8, Kaysville

“With my artwork, I wanted to show how people in a community can be connected. The jump ropes are in the shape of a circle, uniting them. I drew the people are in black and white, representing how people can look past each other’s differences and support each other.”



Safety First Minute



Public Comment

Live comments are limited to 3 minutes per commenter

Public comment was solicited prior to the meeting through alternate means, including email, telephone, and the UTA website

Any comments received through alternate means were distributed to the board for review in advance of the meeting



Consent Agenda

- a. Approval of August 11, 2021 Board Meeting Minutes



Recommended Action (by acclamation)

Motion to approve consent agenda



Reports



Agency Report

- Delegated Authority for On-Call Infrastructure Maintenance Task Orders – Status Update
- Peach Days Complimentary Service Request
- Rock the Canyon Complimentary Service Request
- Free Fare Day Update



Delegated Authority for On-Call Infrastructure Maintenance Task Orders – Status Update



Resolution Background

Resolution R2021-05-02 was approved by the Board at the May 26, 2021, meeting delegating authority to the Executive Director to approve task orders to the On-Call Task Ordering Infrastructure Maintenance and Repair Contract with Stacy & Witbeck. (UTA 20-03349VW) for 2021 for the on-going tasks listed in Exhibit A of the resolution.

Per the resolution, the Executive Director is to present an update to the Board on all task orders.



Update - Signed Task Orders

Scope (Project ID)	Not to Exceed Task Order Amount	Update
3200 West Grade Crossing Replacement	\$350,000	Task order signed for \$242,974 and work was completed in June
Operator Relief Rooms	\$434,000	Task order signed for \$434,300 and work began in early August



Update- Task Orders in Negotiations

Scope (Project ID)	Not to Exceed Task Order Amount	Update
North & South Stadium Embedded Curve Replacement	\$1,800,000	Task order signed for \$1,398,736. Work started on 8/12 and is scheduled to be completed by 8/22
Mario Capecchi Embedded Curve Replacement	\$900,000	Task order being negotiated. Scheduled to start Labor Day Weekend (Tentative)



Update- Task Orders in Scope Development

Scope (Project ID)	Not to Exceed Task Order Amount	Update
Gap Filler on Frontrunner Stations	\$1,000,000	On-going scope development and material selection
Winchester Avenue Grade Crossing Replacement	\$350,000	Work postponed until 2022 due to operational impacts
8120 South Grade Crossing Replacement	\$250,000	Work postponed until 2022 due to operational impacts



Peach Days Complimentary Service Request



Rock the Canyon Complimentary Service Request



Free Fare Day Update



Resolutions



R2021-08-05

**Resolution Authorizing Execution of a
Joint Venture Agreement with
Clearfield Station Partners, LLC for
the Clearfield Station Transit-Oriented
Development**



History

Station Area Plan – Developer Selection – Master Plan Working Group
– Master Development Plan & Agreement



History – Station Area Plan

- Clearfield Connected, Completed Q1 of 2019
- Established Guiding Principles
 - Maximize Accessibility
 - Create Destination
 - Connect Site to City & Region
 - Provide Community Assets
 - Establish a Complete Community



History – Developer Selection

Development Partners
Selected Q2 of 2019

- Stack Development
- Hamilton Partners



History – Master Plan Working Group

- Development Working Group Formed Q3 of 2019
- Clearfield City
 - Mayor
 - City Manager
 - Planning Director, Public Works Director
 - Staff
- UTA
 - Director of Real Estate
 - TOD Project Manager
- Development Partners



History – Master Development Plan & Agreement

- Adopted by Clearfield City & UTA, Q1 2021
- Contents:
 - Development Program
 - Phasing Schedule
 - Roles & Responsibilities
 - Funding Sources (Bond)

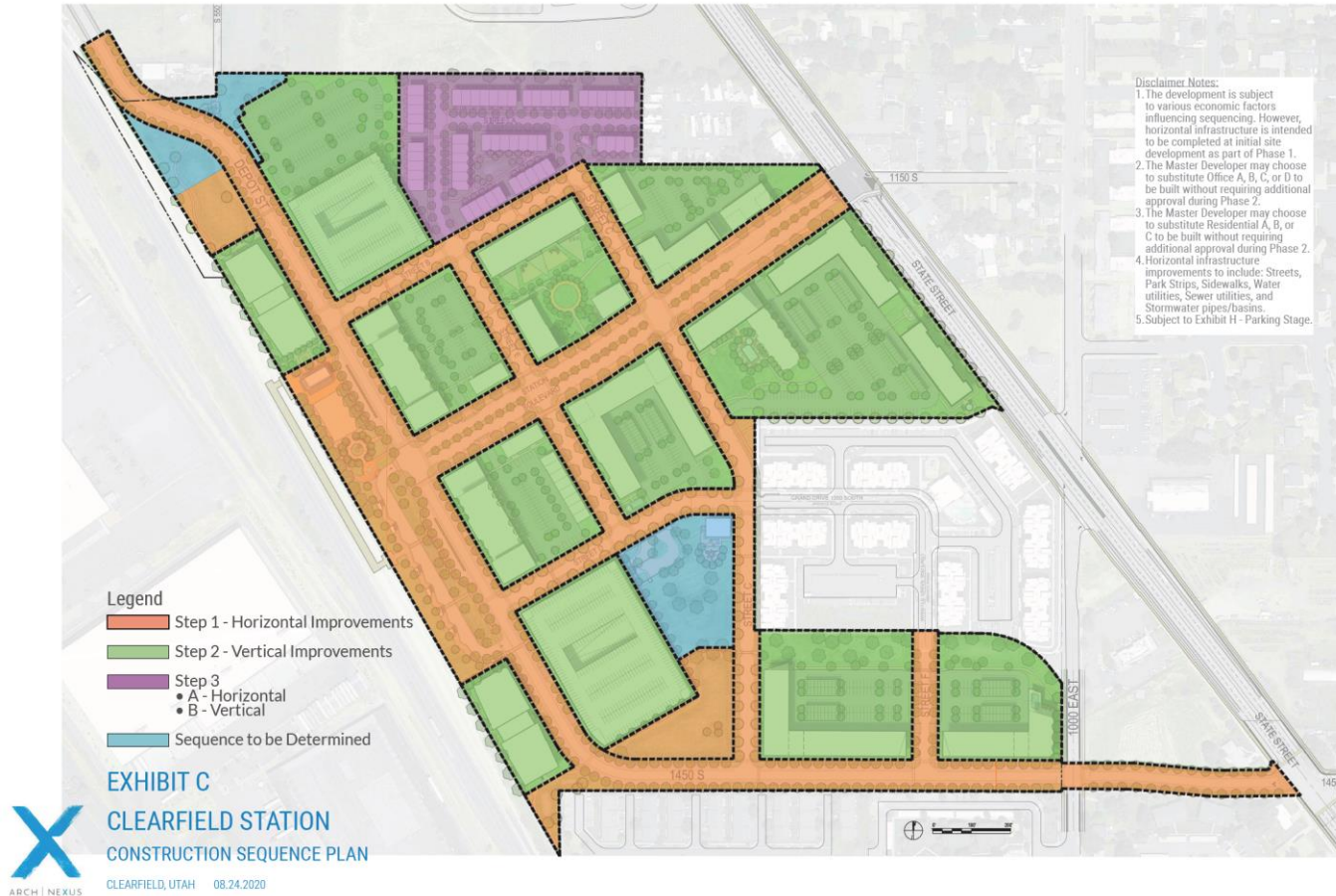


Joint Venture Agreement (JVA)

Development of Project – Duties of the Parties –
Compensation – Dispute Resolution



Development of Project



- Formation of separate development company for each development phase
- UTA to convey property at the time of individual development phase
- Phasing to follow Master Development Plan
- Clearfield City to design, fund, and construct master plan improvements



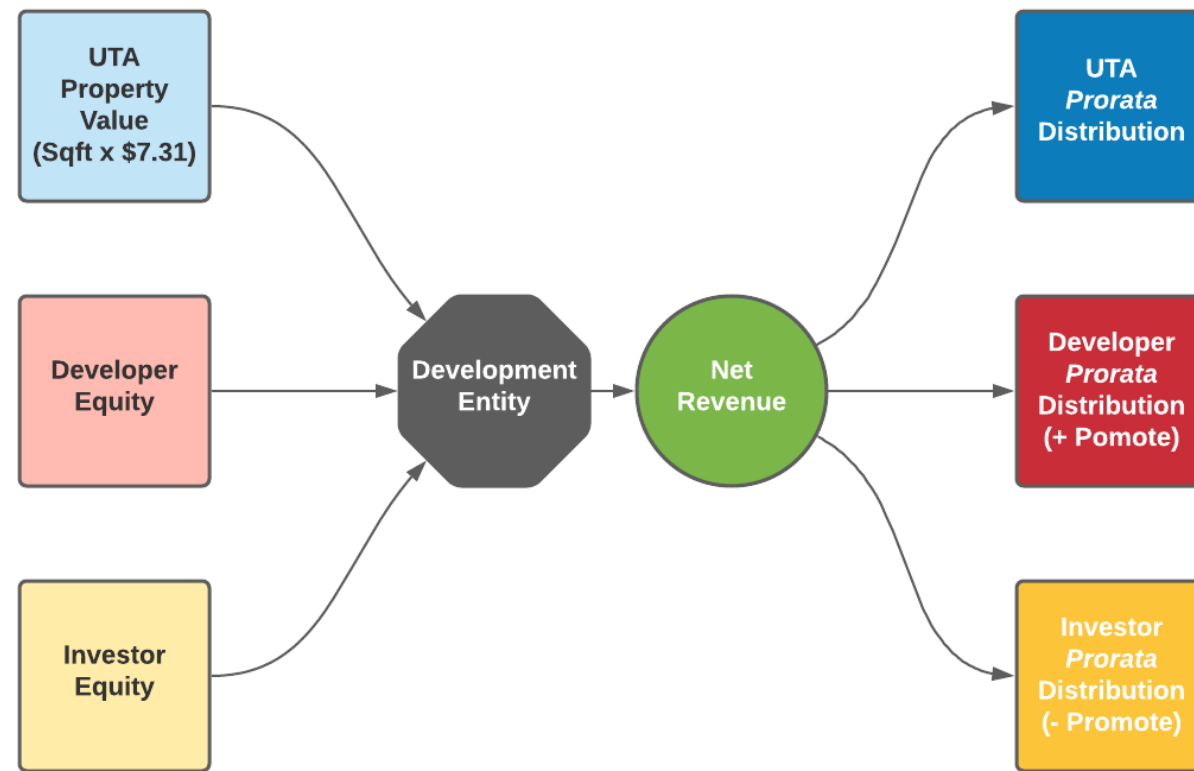
Duties of the Parties

- Master Development Duties:
 - Financing, construction, and development of each development phase
 - Master Plan improvements not completed by Clearfield City
- UTA Duties:
 - Contribute property for transit infrastructure, rights of way, and public open space
 - Provide property information
 - Review & refine master plan improvement designs & evaluate financial proposals



Compensation

- Property Value - \$7.31 / SF
- Fees (Maximums to be considered during individual development phases)
 - Development Fee – 5%
 - Property Management – 3.5%
 - Asset Management – 1.5%
 - Leasing Commission – 6%
 - Property Disposition - \$50k
- Promote
- Equity Allocation
 - UTA receives equity share in each development phase proportionate to the value of property contributed to respective phase



Termination Provisions

- If material assets of either party are acquired, merged, sold, or transferred
 - If business operations of either party stop
 - If Developer may not obtain approvals
- Lack of development / construction activities for three years or more



Third-Party Review

Terms reviewed by Benj Becker, Financial Consultant

- “Everything looks very good from a market perspective”
- “Overall – Looks really good”



Resolution

- That the UTA Board of Trustees approves the Joint Venture Agreement between the Authority and Clearfield Station Partners, LLC
- That the Executive Director is authorized to execute the Joint Venture Agreement



Questions & Discussion



Recommended Action (by roll call)

Motion to approve R2021-08-05

Resolution Authorizing Execution of a Joint Venture Agreement with Clearfield Station Partners, LLC for the Clearfield Station Transit-Oriented Development



Contracts, Disbursements, and Grants



Contract: On-Demand Technologies and Innovative Mobility Services (River North Transit LLC - Via)

Recommended Action (by acclamation)

Motion to approve contract with River North Transit LLC – Via for on-demand technologies and innovative mobility services, as presented



Contract: In-Vehicle Mobile Gateways, Annual Maintenance, and Parts (Sierra Wireless America, Inc.)

Recommended Action (by acclamation)

Motion to approve contract with Sierra Wireless America, Inc. for in-vehicle mobile gateways, annual maintenance, and parts, as presented



Discussion Items



Mixed Bus Fleet Composition Strategy



Team Members

▪ Chief Enterprise Strategy Office

- Alisha Garrett (Chief Enterprise Strategy Officer)
- Bill Gerow (Sr Continuous Improvement Consultant)
- Tigran Melikyan (Business & Quality Analyst)
- Jacob Ekker (Business Strategy Specialist)

▪ Chief Planning & Engagement Office

- Eric Callison (Mgr Service Planning)
- Kerry Doane (Mgr Long Range Strategic Planning)

▪ Chief Service Development Office

- Kyle Stockley (Mgr Veh Overhaul & Bus Support)
- Hal Johnson (Mgr Project Dev-System Planning)
- Ethan Ray (Proj Development Planner II)
- Daniel Locke (Environmental Compliance Admin)
- Jesse Rogers (Vehicle Procurement-Comm Admin)

▪ Chief Financial Office

- William Greene (Chief Financial Officer)

▪ Chief Operating Office

- Celeste Sloan (Senior Office Specialist)
- Andres Colman (Regional General Manager)



Areas of Analysis

PURPOSE

Develop a data driven mixed bus fleet composition strategy that supports UTA's mission. This strategy will align with UTA's service plan, the long-range transportation plan, and serve as a guide for future vehicle procurement and facilities plans

STRATEGY DEVELOPMENT INPUTS

- Current fleet mix & replacement schedule
- Environmental Impact
- Full life cycle vehicle cost
- Vehicle reliability
- Vehicle compatibility with service plan
- Resources per fleet (onboard, support, maintain)
- Current infrastructure & future needs
- Technological innovations
- National trends (other agencies, climate)
- External conditions (social, political)
- Available funding



Balanced Scorecard

Fleet Propulsion Scorecard					
	Scorecard Weighting	Category Weighting	Clean Diesel	CNG	Electric
Operational	40%	100%	4.1	2.5	1.4
Capital	20%	100%	2.5	3.0	4.0
Environment Well to Tank Emissions	9%	30%	1.0	1.2	0.2
Environment Tank to Wheels Emissions	21%	70%	0.8	2.1	3.5
Internal Assessment	10%	100%	2.0	3.5	4.5



Balanced Scorecard

RATING METHODOLOGIES

- All categories are scored using a 5-point scale ranging from 1–5.
- Quantitative data reviewed by the team to determine highest and lowest values and the proper incremental range.
- Qualitative data categorized by the following:
 - 1 – Not At All Supported
 - 2 – Not Very Supported
 - 3 – Neutral
 - 4 – Somewhat Supported
 - 5 – Very Supported
- Emissions data scored formulaically by taking -20% of the minimum value, +20% maximum value, and incrementing evenly for each category.



Operational Factors

		Scorecard Weighting	Category Weighting	Clean Diesel	CNG	Electric
Operational	Life Cycle Costs	12.0%	30%	4.0	3.0	1.0
	Vehicle Reliability	14.0%	35%	4.0	3.0	2.0
	Risk	12.0%	30%	4.0	1.0	1.0
	Flexibility	2.0%	5%	5.0	4.0	1.0
	Total Operational Score	40%	100%	4.1	2.5	1.4

Capital Factors

		Scorecard Weighting	Category Weighting	Clean Diesel	CNG	Electric
Capital	Infrastructure	10.0%	50%	4.0	4.0	3.0
	Available Funding	10.0%	50%	1.0	2.0	5.0
	Total Capital Score	20%	100%	2.5	3.0	4.0



Environmental Factors

		Scorecard Weighting	Category Weighting	Clean Diesel	CNG	Electric
Environment Well to Tank Emissions	Nitrogen Oxides	0.9%	3%	4.0	4.0	4.0
	Volatile Organic Compounds	0.9%	3%	1.0	4.0	4.0
	Carbon Monoxide	0.6%	2%	1.0	4.0	1.0
	Greenhouse Gas	1.8%	6%	3.0	4.0	1.0
	Sulfur Oxides	0.3%	1%	4.0	5.0	1.0
	Particulate Matter	4.5%	15%	4.0	4.0	1.0
	Total Environmental (W2T) Score	9%	30%	1.0	1.2	0.2



Environmental Factors

		Scorecard Weighting	Category Weighting	Clean Diesel	CNG	Electric
Environment Tank to Wheels Emissions	Nitrogen Oxides	2.1%	7%	1.0	4.0	5.0
	Non Methane Hydro Carbons	2.1%	7%	1.0	3.0	5.0
	Carbon Monoxide	1.5%	5%	2.0	1.0	5.0
	Greenhouse Gas	4.5%	15%	1.0	1.0	5.0
	Sulfur Oxides	0.9%	3%	1.0	2.0	5.0
	Particulate Matter	9.9%	33%	1.0	4.0	5.0
	Total Environmental (T2W) Score	21%	70%	0.8	2.1	3.5



Internal Assessment of External Factors

		Scorecard Weighting	Category Weighting	Clean Diesel	CNG	Electric
Internal Assessment	Political Conditions	5.0%	50%	2.0	4.0	5.0
	Social Conditions	5.0%	50%	2.0	3.0	4.0
	Total External Score	10%	100%	2.0	3.5	4.5

Scorecard Summary

Fleet Propulsion Scorecard			
	Clean Diesel	CNG	Electric
Operational	4.1	2.5	1.4
Capital	2.5	3.0	4.0
Environment: Well to Tank Emissions	1.0	4.0	1.0
Environment: Tank to Wheels Emissions	0.8	2.1	3.5
Intermodal Assessment	2.0	3.5	4.5
Overall Weighted Score	2.84	2.91	2.98



Next Steps

- Factor in Board of Trustees input
- Develop a recommendation and written report
- Build financial plan
- Present recommendation to Executive Team and Board of Trustees



Utah Transit Authority Draft Five-Year Capital Plan – 2022 through 2026



Connecting the 2022 Budget to the UTA Strategic Framework

MISSION

PROVIDE INTEGRATED MOBILITY SOLUTIONS TO SERVICE LIFE'S CONNECTIONS, IMPROVE PUBLIC HEALTH AND ENHANCE QUALITY OF LIFE

UTA FOCUS AREAS

SERVICE

PEOPLE

STEWARDSHIP

UTA STRATEGIC OBJECTIVES

- Innovate & Integrate our System
- Deliver Excellence

- Develop our People
- Create a Diverse & Inclusive Workforce

- Protect our Environment
- Safeguard our Future



5-Year Capital Plan Goals:

- Maintain a safe system that operates in state of good repair
- Provide a plan consistent with the constraints of the projected capital budget
- Provide a plan consistent with available capacity of project delivery resources
- Include service expansion projects consistent with the regional long-range transit plans
- Leverage UTA funds with federal grants and partner funds



2022 Emphasis on Delivery

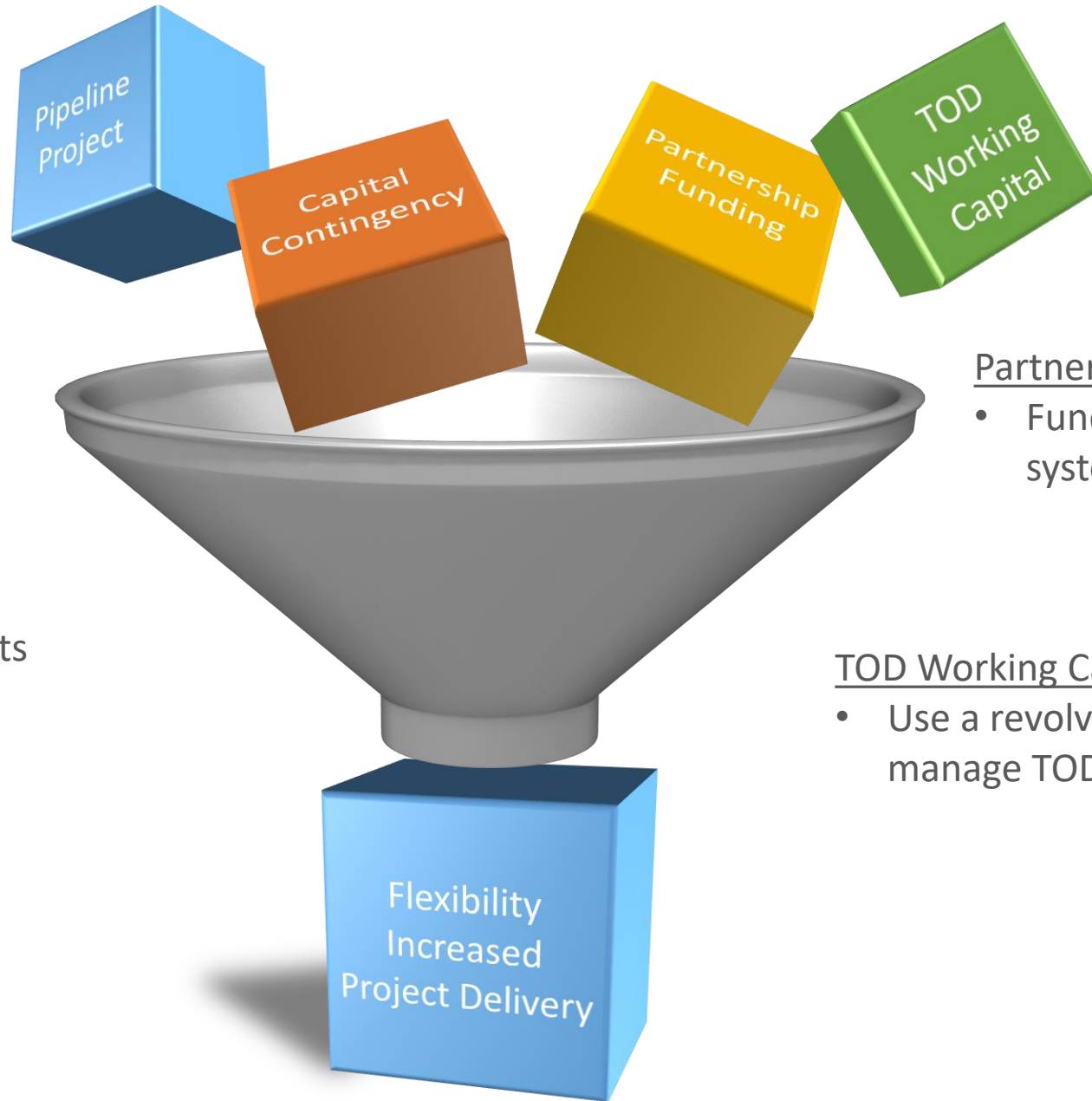
- Commitment to delivering the projects funded in the capital budget
- Developing a program master schedule to anticipate and mitigate roadblocks
- Resource planning is ongoing and critical to successful project delivery
 - Program management consultants support UTA staff to increase project delivery capability
 - Monthly spending and expenditure forecasting began in 2021
- Updating and standardizing capital procedures to ensure consistent project delivery
- Regular reporting on schedule and budget performance



Improving Project Delivery

Create Pipeline Projects

- Wayfinding Signage
- Bus Stop Enhancements
- End of Line Enhancements
- Systemwide Restrooms



Leverage Capital Contingency

- Increase flexibility
- Accommodate project acceleration

Partnership Funding

- Fund partner improvements in the system with Stimulus Funds

TOD Working Capital

- Use a revolving fund approach to manage TOD investments.



Active and Proposed Project Classifications

Active Projects- Funded

- Projects that have sufficient scope, resources, planning, etc to progress
- High-profile

Proposed Projects- Unfunded

- Projects are more conceptual, not fully defined
- Tracked similarly to “Active” projects
- Can be brought forward to “Active” pending resource and commitment review and necessary LAC and Board Approvals
- Some projects may have an Active and Proposed portion based on funding and/or some project lifecycle phases being more defined than others



5-Year Capital Categories

- Safety and Security/Police
- Major Capital Projects
- Other Capital Projects
- Asset Management (SGR) including Facilities and Vehicles
- Information Technology
- Planning (Regional and Long Range)
- Property/TOD/Real Estate



5-Year Capital Plan - Process

- Funding requests are submitted by staff for new and continuing capital projects
- Projects are ranked based on evaluation criteria
- Projects are reviewed and prioritized by senior management
- A financially constrained capital plan is finalized by the Executive Team



5-Year Capital Plan – Evaluation Criteria

- Mitigates a safety risk
- Legal or regulatory requirement
- Operationally required
- Public support
- Enhances or expands core system/service performance
- Supports UTA workforce capabilities



Proposed 2022 Capital Budget Summary

Programs/Projects	2022 Budget	2022 Grants	2022 State & Local Partners	2022 UTA Funds
5310 Projects	\$1,762,653	\$1,433,047	\$299,606	\$30,000
Asset Management- Facilities	\$4,600,000	\$0	\$0	\$4,600,000
Asset Management- Rail Infrastructure	\$9,300,000	\$0	\$0	\$9,300,000
Asset Management- Rail Systems	\$18,590,000	\$0	\$365,000	\$18,225,000
Asset Management- Vehicle New Purchase	\$23,625,911	\$4,983,108	\$0	\$18,642,803
Asset Management- Vehicle Rehabilitation	\$14,471,775	\$763,779	\$0	\$13,707,996
Information Technology	\$13,614,900	\$5,600,000	\$0	\$8,014,900
Major Capital Project	\$101,872,107	\$25,498,435	\$42,368,217	\$34,005,455
Other Capital Projects	\$35,071,195	\$10,012,556	\$5,497,003	\$19,561,636
Property/TOD/Real Estate	\$6,040,000	\$0	\$0	\$6,040,000
Safety & Security/Police	\$2,068,061	\$0	\$0	\$2,068,061
Grand Total	\$231,016,602	\$48,290,925	\$48,529,826	\$134,195,851



Proposed 2022 Major Capital Projects Detail

Highlighted Projects	2022 Proposed Budget	Grants	State/Local Partners	UTA Funds
MSP102- Depot District	\$32,562,000	\$3,377,587	\$3,797,243	\$25,387,170
MSP185- Ogden/WSU BRT	\$25,465,107	\$18,436,103	\$2,229,004	\$4,800,000
MSP205- TIGER Program of Projects	\$8,206,000	\$2,798,700	\$3,126,000	\$2,281,300
MSP215- Sharp-Tintic Rail Connection	\$1,439,000	\$886,045	\$515,970	\$36,985
MSP216- Point of Mountain AA/EIS	\$3,000,000	\$0	\$3,000,000	\$0
MSP252- FrontRunner Forward	\$15,000,000	\$0	\$13,500,000	\$1,500,000
MSP253- Mid-Valley Connector	\$15,000,000	\$0	\$15,000,000	\$0
MSP259- S-Line Extension	\$1,200,000	\$0	\$1,200,000	\$0
Total	\$101,872,107	\$25,498,435	\$42,368,217	\$34,005,455



Proposed 2022 Asset Mgmt (SGR) Detail

Highlighted Projects	2022 Proposed Budget	Grants	State/Local Partners	UTA Funds
Asset Management- Facilities	\$4,600,000	\$0	\$0	\$4,600,000
Asset Management- Rail Infrastructure	\$9,300,000	\$0	\$0	\$9,300,000
Asset Management- Rail Systems	\$18,590,000	\$0	\$365,000	\$18,225,000
Asset Management- Vehicle New Purchase	\$23,625,911	\$4,983,108	\$0	\$18,642,803
Asset Management- Vehicle Rehabilitation	\$14,471,775	\$763,779	\$0	\$13,707,996
Total	\$70,587,686	\$5,746,887	\$365,000	\$64,475,799



Proposed 5-Year Capital Budget by Year

Year	Proposed Budget	Grants	State/Local Partners	UTA Funds*
2022	\$231,016,602	\$48,290,925	\$48,529,826	\$134,195,851
2023	\$357,985,601	\$86,591,940	\$95,842,185	\$124,171,476
2024	\$268,803,470	\$29,737,012	\$86,179,623	\$125,966,835
2025	\$242,466,944	\$9,740,018	\$122,298,754	\$102,928,172
2026	\$151,581,676	\$3,150,000	\$69,500,000	\$71,431,676
Total	\$1,251,554,293	\$177,509,895	\$422,350,388	\$588,694,010

Discrepancy between the proposed budget totals and funding source totals (~\$63 Million) is actively being pursued through current grant applications



Anticipated Grants/Partner Funds

- Proposed projects anticipating significant outside funds:
 - Midvalley BRT
 - TechLink Corridor/Greenline Downtown
 - Point of the Mountain Transit
 - SL-Central HQ Office
 - South Valley Transit
 - Central Corridor Transit
 - 5600 West/Mountain View Corridor
- If these funds don't materialize, projects would be delayed



Next Steps

- Draft 5-Year Capital Plan is presented to the Advisory Council for information and input
- Develop resource/delivery schedules for project delivery and timing
- Update 5-Year Plan based on delivery schedules and carryover forecasts
- Present updated plan to Board, then Advisory Council for consultation
- Final approval of 5-Year Capital Plan by UTA Board
- First year of the 5-Year Capital Plan is incorporated into UTA's proposed 2022 annual budget



Potential 2015A Senior and Subordinate Sales Tax Revenue Refunding Bond Opportunity in 2021



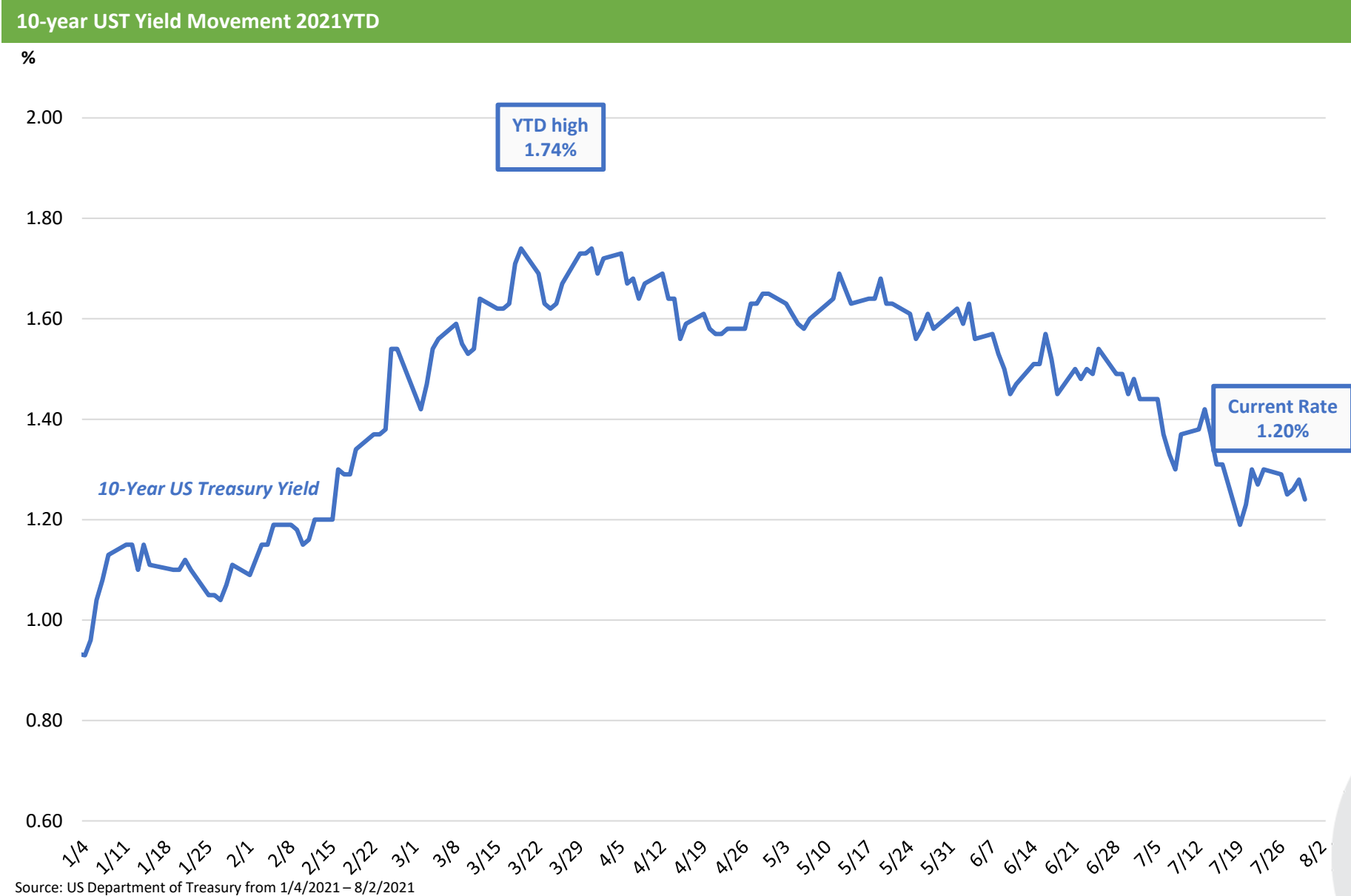
UTA DEBT MANAGEMENT

Bond Refunding and Restructuring Considerations

	Refunding Bonds	Restructuring Bonds
Net Present Value Savings 5% or more	X	
Consider options to lower maximum annual debt service	X	X
Move principal payments from June 15 to December 15	X	X
High refunding efficiency	X	
Minimize use of refunding savings reserve	X	X
Consider change from subordinate to senior debt	X	X



The 10-Year US Treasury Has Moved Sharply Lower From 2021 Highs



Series 2015A Taxable Advance Refunding Results (Structured Savings)

Summary of Bonds Refunded				
Series	Par Amt.	Coupons	Maturities	Call Date
2015A	\$383,130,000	4.00% - 5.00%	2026-2029; 2032-2036	June 15, 2025
Sub. 2015A	22,140,000	5.00%	2026 & 2037	June 15, 2025
Total	\$405,270,000			

Refunding Results 2015A Bonds	
Refunded Bonds	
Refunded Par	\$405,270,000
Refunding Bonds	
Par Amount	\$473,230,000
Amortization	2021-2037
Average Life	9.5 years
All-in True Interest Cost (TIC)	1.92%
Gross Savings	\$29,758,426
NPV Savings (\$)	\$28,125,327
NPV Savings (%)	6.94%

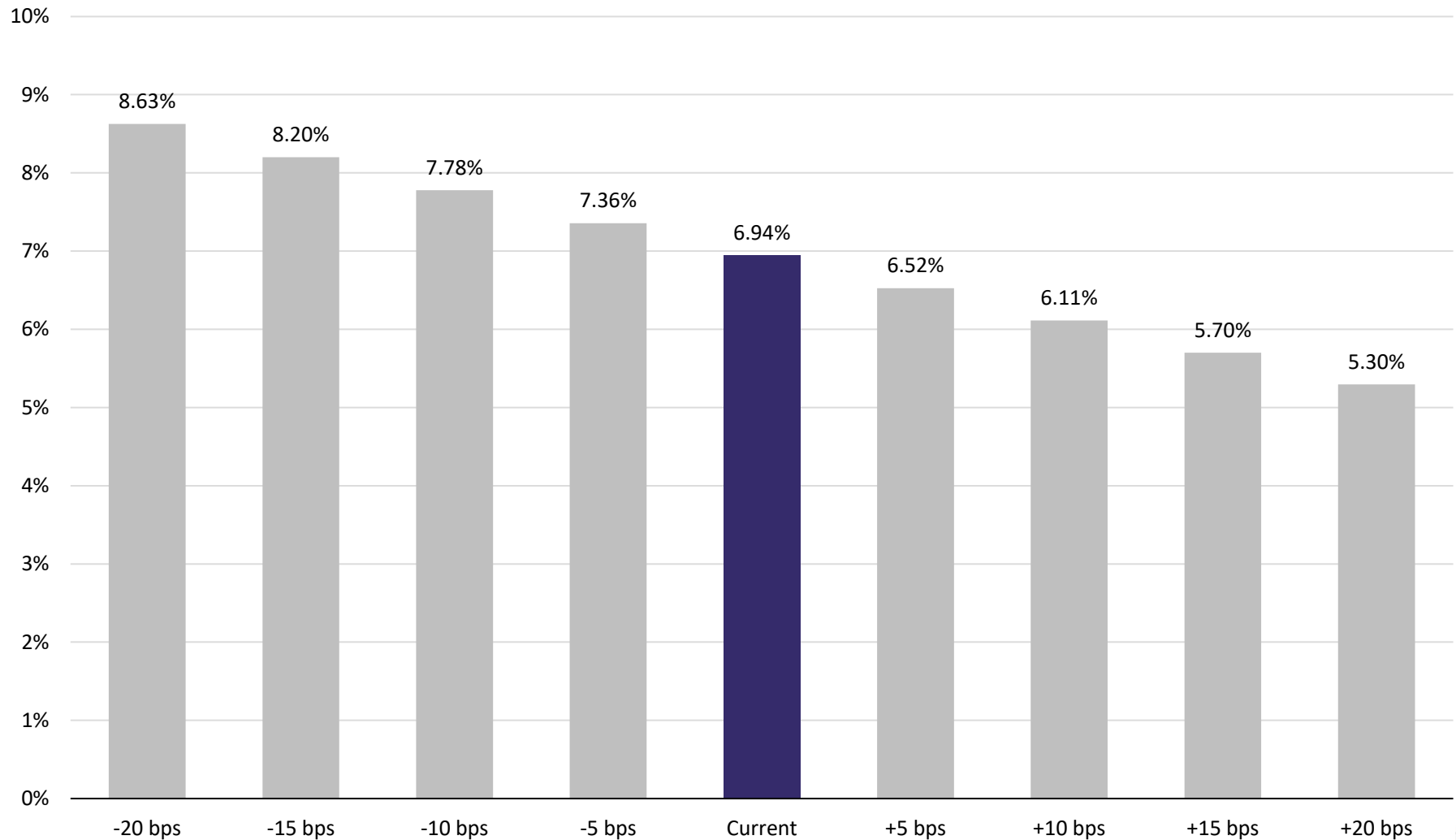
Gross Cashflow Savings (Refunded Bonds Only)			
Year (12/31)	Prior D/S	Refunding D/S	D/S Savings
2021	\$9,039,525	\$9,032,583	\$6,942
2022	18,079,050	18,075,211	3,839
2023	18,079,050	18,075,972	3,079
2024	18,079,050	18,076,104	2,946
2025	18,079,050	18,073,894	5,156
2026	63,055,800	63,052,132	3,668
2027	54,860,300	51,561,471	3,298,830
2028	54,859,425	51,560,016	3,299,409
2029	54,867,925	51,566,458	3,301,468
2030	9,445,050	6,144,503	3,300,548
2031	9,445,050	6,139,333	3,305,718
2032	48,816,550	45,512,680	3,303,870
2033	48,806,950	45,500,670	3,306,280
2034	48,786,050	45,477,830	3,308,220
2035	49,075,050	45,771,695	3,303,355
2036	49,070,550	49,067,400	3,150
2037	14,498,625	14,496,675	1,950
Total	\$586,943,050	\$557,184,624	\$29,758,426

Assumptions: Interest rates as of 8/2/2021, senior lien ratings of Aa2/AA/AA (Stable, Stable, Negative); subordinate lien ratings of A1/A+/AA (Stable, Stable, Negative); Refunded bonds refunded to the same lien; cost of issuance and underwriter's discount of \$5 per bond; Dated/delivery date of 10/15/2021; SLGS funded escrow; final maturity of the refunding bonds is consistent with refunded bonds; Assumes refunding series issued with 10-year call (1) Savings Efficiency calculated as NPV Savings / (NPV Savings + Negative Arbitrage); PV calculations discounted at TIC



Series 2015A Taxable Advance Refunding Sensitivity Analysis

NPV Savings Sensitivity – Change in Rates (bps)



Assumptions: Interest rates as of 8/2/2021, senior lien ratings of Aa2/AA/AA (Stable, Stable, Negative); subordinate lien ratings of A1/A+/AA (Stable, Stable, Negative); Refunded bonds refunded to the same lien; cost of issuance and underwriter's discount of \$5 per bond; Dated/delivery date of 10/15/2021; SLGS funded escrow; final maturity of the refunding bonds is consistent with refunded bonds; Assumes refunding series issued with 10-year call (1) Savings Efficiency calculated as NPV Savings / (NPV Savings + Negative Arbitrage); PV calculations discounted at TIC



Calendar of Events

- August 25- Board discussion, direction to proceed
- Week of September 13- Meeting with State Bonding Commission
- September 15- Presentation to UTA Local Advisory Council
- Week of September 20- meetings with bond rating agencies
- September 22- Board considers resolution authorizing the issuance of refunding bonds
- October 1- Receive bond ratings
- October 12/13- Negotiated bond sale
- October 27- Bond closing

- Bond resolution parameters would be:
 - Not to exceed \$485 million par amount
 - Not to exceed 5% rate
 - Not to exceed 17-year final maturity



Questions



Other Business

- a. Next Meeting: Wednesday, September 8, 2021, at 9:00 a.m.



Adjourn



Break

